

AMD17-110 4/15/08

Bell, Leanne S (DOT)

From: Robert French [bgfrench@gci.net]
Date: Monday, April 14, 2008 1:36 PM
To: DOT STIP
Cc: Ruaro, Randall P (GOV); david.c.miller@dot.gov
Subject: Comments on Draft Ammendment 17 to the STIP

April 14, 2008

Via email: dot.stip@alaska.gov

ADOT & PF Division of Program Development

To Whom it may concern:

Thank you very much for considering the following comments on Draft Amendment 17 to the 2006-2009 Statewide Transportation Improvement Program (STIP).

Like many others, I found the conflicts between the eSTIP search system and the PDF versions to be confusing, and would like to protest that accurate information was not available for review and comment, which in my mind negates the validity of this comment period. The public deserves accurate and complete information about the true costs and impacts of these projects.

Particular, I object to the inclusion of the Knik Arm Bridge, or the Knik Arm Crossing Project in the STIP. Information presented in the STIP does not comply with AAC 05.165(c) as all project costs are not shown. The project costs shown do not show the previously expended costs, do not include future phases of the project necessary to make this a functional part of Alaska's transportation system, is based on 2006 cost estimates that were noted to be highly preliminary, and do not include the large cost increases experienced in the past years, and do not include the financing costs. The last is particularly important because of the highly risky nature of the Public Private Partnership (P3) agreement. The financing costs included on KABATA's TIFIA loan application, included over \$200 Million in expected transaction costs.

I attended public information sessions and commented on the Let's Get Moving 2030: Alaska Statewide Long-Range Transportation Policy Plan (February 2008), and agree with one of the basic conclusions of that Plan: "there is a backlog of [life cycle management] needs" for highways and bridges (p. 69) and there is a highways and bridges routine maintenance funding gap of approximately 50% that is growing (see Exhibit 20, p.70). I believe that it is poor public policy for highly risky and controversial mega-projects like the Knik Arm Bridge and the Juneau Road (or "Juneau Ferry Terminal Driveway Extension") Project to take away from needed maintenance. We need to fix our existing problems first before building new roads that we cannot afford to maintain.

KABATA's Chairman, Mayor Wuerch, indicated during KABATA's testimony before the Alaska Senate Transportation Committee on March 25, 2008 that they did not expect the Knik Arm Bridge to make any money for at least 10 or 15 years, until (they hope) there are enough commuters to start to pay for maintenance. I believe the lack of inclusion of annual maintenance costs in the STIP is a violation of 23 CFR 450.104 which requires that the "STIP includes sufficient financial information for demonstrating that...[the] STIP can be implemented using committed, available, or reasonably available revenue sources, with reasonable assurance that the federally supported transportation system is being adequately operated and maintained"

Commissioner von Scheben's March 11, 2008 letter to Alaskans introducing this Draft Amendment 17, stated that ADOT & PF must "be reasonably confident that full funding for a particular project will be available to complete it before we can add it to the STIP...we must demonstrate that full funding will be available for projects included in the STIP." Given the following uncertainties about the P3 process, the financial viability of the project and the permits, "full funding" for the Knik Arm Bridge is completely un-proven, and the project should not be included in the STIP:

- The Corps of Engineers have significant un-resolved comments regarding whether or not they can permit the Knik Arm Bridge;
- The sub-prime crisis has completely changed the financial markets, and has also affected the financial viability of the 2 consortium qualified under the RFQ process;
- The RFP has not been issued, and the details of the actual funding scheme for the project is not finalized and will not be finalized for possibly a year or more;
- Effects of the potential listing of the Cook Inlet Beluga Whales as an endangered species are as-yet unknown, including whether or not a permit for the project can be issued;
- The actual route, and actual costs are based on highly preliminary data that has not been updated for 2 years, has not had an independent review, and are likely far underestimated;
- The estimated population growth for Southcentral Alaska has dropped by 1/3 from the estimates used by KABATA to show that there would be sufficient commuters to pay for not only maintenance, debt service, and profits to the P3 consortium, but also for the future Phase 2 expansion.

The Knik Arm Bridge will not be a fully functioning part of Alaska's transportation system until Phase 2 is built. The bridge as originally envisioned was a 4 lane bridge, with 4 lane approach roads. Now it is a 2 lane bridge with 2 lane approach roads, with a future expansion taking place "when necessary to meet traffic demands". When there is an accident during rush hour, it will take hours, if not days, to clear out a wreck on a 2 mile long, 2 lane bridge.

Thank you for your consideration of these comments.

Sincerely,

Robert French, P.E.

cc: Randy Ruaro, Office of Governor Sarah Palin
David Miller, FHWA Administrator, Alaska Division